

AMENDED IN SENATE MAY 13, 1998
AMENDED IN SENATE APRIL 15, 1998
AMENDED IN SENATE APRIL 13, 1998
AMENDED IN SENATE MARCH 25, 1998

SENATE BILL

No. 2045

Introduced by Senator Greene

February 20, 1998

An act to amend Section 17017.9 of the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 2045, as amended, Greene. School facilities construction.

Pursuant to existing law, the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (hereafter the Greene Act), the State Allocation Board (hereafter the board) is authorized to apportion state funding to applicant school districts for designated school facilities construction purposes. Existing law requires the board to grant first priority for construction funds to a school district with a substantial enrollment in multitrack year-round schools requesting state funding for 50% of the cost of a project, and second priority to school districts with a substantial enrollment in multitrack year-round schools requesting state funding for the entire cost of a project.

Existing law, notwithstanding these provisions, requires that, with certain exceptions, a project be accorded first

priority if certain conditions are met, including, but not limited to, the requirement that the district document that it has incurred bonded indebtedness in an amount not less than 95% of the bonding capacity of the district, and that the district agree that all unexpended bonding capacity of the district, and all funding made available from prescribed sources, including, but not limited to, the Mello-Roos Community Facilities Act of 1982, and the Planning and Zoning Law, shall apply toward the district's 50% share of the costs of the project.

This bill would, instead, require the district to agree to apply 95% of the unexpended bonding capacity of the district, and would delete the provision limiting this amount to 50% of the cost of the project.

This bill would require the district, *except as specified*, to agree to apply developer fees toward the cost of projects for which the district requests Greene Act funding, would limit this provision to 50% of the cost of any project, and would exempt fees needed for interim housing, school district administration, or other facility needs as approved by the board.

This bill would include funding pursuant to the Mello-Roos Community Facilities Act of 1982, within the definition of bonded indebtedness for the purposes of the requirement that the district document that it has incurred bonded indebtedness in an amount not less than 95% of the bonding capacity of the district.

The bill would delete the reference to funding pursuant to the Planning and Zoning Law from the requirement that the district agree that certain funding be made available for the district's 50% share of the costs of the project.

This bill would authorize the board to recalculate program allowances and apportionments pursuant to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17017.9 of the Education Code is
2 amended to read:



1 17017.9. (a) Notwithstanding any other provision of
2 law, a project shall be accorded, subject to subdivision
3 (b), the priority status that otherwise is accorded under
4 Section 17017.7 to a project for which state funding is
5 requested for only 50 percent of the cost, if all of the
6 following conditions are met:

7 (1) The applicant district documents to the
8 satisfaction of the board that it has incurred bonded
9 indebtedness in an amount not less than 95 percent of the
10 bonding capacity of the district. “Bonded indebtedness”
11 for the purposes of this section includes, but is not limited
12 to, funding provided pursuant to Chapter 2.5
13 (commencing with Section 53311) of *Part 1* of Division 2
14 of Title 5 of the Government Code.

15 (2) The applicant district agrees that up to 95 percent
16 of the unexpended bonding capacity of the district,
17 existing on or after the date of the district’s first
18 application for project funding pursuant to this section,
19 shall apply toward the cost of projects.

20 (3) *Either of the following apply:*

21 (A) The applicant district agrees that developer fees
22 imposed pursuant to Section 17620 shall apply toward the
23 cost of projects for which the district requests state
24 funding pursuant to this chapter, not to exceed 50 percent
25 of the cost of any project. Fees needed for interim
26 housing, school district administration, or other facility
27 needs as approved by the board are exempt from this
28 requirement.

29 (B) *The applicant is a school district with an average*
30 *daily attendance of 2,500 or less.*

31 (b) An applicant district qualifying for the priority
32 status described in subdivision (a) as to any project shall
33 continue to be accorded that status for all subsequent
34 projects under this chapter until the time that the
35 bonding capacity of the district determined for purposes
36 of that subdivision increases by 20 percent.

37 (c) The condition set forth in paragraph (2) of
38 subdivision (a) shall apply until either the applicant
39 district’s eligibility under this section terminates
40 pursuant to subdivision (b), or funding for the district is

1 approved and apportioned under this chapter for a
2 project for which 50 percent or more of the cost is
3 provided by the district from funding sources other than
4 any state program administered by the board, whichever
5 occurs first.

6 (d) Notwithstanding any other provision of law, as to
7 any project for which priority status is accorded pursuant
8 to subdivision (a), the estimate of average daily
9 attendance for the applicant district may be calculated,
10 upon request of the district, in the manner set forth in
11 subdivision (a) of Section 17040.3.

12 (e) The board may recalculate program allowances
13 and apportionments pursuant to this section.

